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COMMONWEALTH OF VIRGINIA STATE CORPORATION COMMISSION

AT RICHMOND, DECEMBER 19, 2001

APPLICATIONS OF

ENRON ENERGY SERVICES, INC.

CASE NO. PUE010582

For a permanent license to conduct business as a natural gas competitive service provider

and

ENRON ENERGY SERVICES, INC.

CASE NO. PUE000488

For a license to conduct business as a competitive service provider in a natural gas retail access pilot program

DISMISSAL ORDER

On October 23, 2001, Enron Energy Services, Inc., ("EESI" or "the Company"), completed an application with the State Corporation Commission ("Commission") to convert and expand its pilot license, License No. PG-15, to a permanent license to provide competitive natural gas services to commercial and industrial customers throughout the Commonwealth of Virginia as the Commonwealth opens up to retail access and customer choice.

¹ By Order dated November 30, 2000, in Case No. PUE000488, EESI was issued License No. PG-15 to provide competitive natural gas services. This pilot license permits the Company to operate in the natural gas retail access pilot program of Washington Gas Light Company ("WGL").

On October 30, 2001, the Commission issued its Order For Notice and Comment, establishing the case, requiring EESI to provide notice of its application to appropriate persons, including each natural gas utility in Virginia, and providing for the receipt of comments from the public.

On December 7, 2001, Staff filed comments in which it noted that on December 2, 2001, EESI's parent company, Enron Corp., announced that it, along with certain of its subsidiaries, filed voluntary petitions for Chapter 11 reorganization with the U.S. Bankruptcy Court for the Southern District of New York. Staff's December 7, 2001 comments, based on conversations it had with representatives of EESI, noted that it was aware that EESI is one of the subsidiaries filing for Chapter 11 reorganization. In light of the bankruptcy filings Staff opposed the Company's request to convert and expand its pilot license. No comments from the public on EESI's application were received.

In a letter to the Clerk of the Commission, dated December 13, 2001, EESI requested permission to withdraw its pending application, without prejudice, for a permanent license to serve as a natural gas competitive service provider in Virginia.

NOW UPON CONSIDERATION of EESI's request to withdraw its application, the Commission is of the opinion and finds that such request should be granted and that the Company's current pilot license, License No. PG-15, has expired. As a result,

EESI is no longer authorized to act as a competitive service provider in Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) EESI's request to withdraw its application to convert and expand its pilot license, License No. PG-15, to permanent is hereby granted without prejudice.
 - (2) Case No. PUE010582 is hereby dismissed.
 - (3) Case No. PUE000488 is hereby dismissed.

ATTACHMENT A

Columbia Gas of Virginia, Inc. Mr. James S. Copenhaver, Esquire 9001 Arboretum Parkway P.O. Box 35674 Richmond, Virginia 23235-0674

Commonwealth Public Service Corp. Mr. James Shockley, Manager P.O. Box 589
Bluefield, West Virginia 24701

Roanoke Gas Company Mr. John Williamson, President P.O. Box 13007 Roanoke, Virginia 24011

Southwestern Virginia Gas Company Mr. Allan McClain, President 208 Lester Street Martinsville, Virginia 24112

United Cities Gas Company c/o Atmos Energy Corporation Mr. Thomas R. Blose, Jr., President 810 Crescent Centre Drive, Suite 600 Franklin, Tennessee 37067-6226

Virginia Gas Distribution Company Mr. Michael L. Edwards, President 120 South Court Street Abingdon, Virginia 24210

Virginia Natural Gas, Inc. Mr. Henry P. Linginfelter President and Chief Executive Officer 5100 East Virginia Beach Blvd. Norfolk, Virginia 23502-3488

Washington Gas Light Company Mr. Donald R. Hayes 1100 H Street, N.W. Washington, D.C. 20080